

REMARKS

The Applicants respectfully request the Examiner to reconsider the Present Patent Application in light of the arguments presented.

Section B- Rejections under Section 103(a)

1. Summary of Applicants' Traversing Arguments

In the Second Office Action, the Patent Office withdrew a rejection of Applicants' Claims under Section 102 based on Picco. The Second Office Action contains a new rejection of the Applicants' Claims under Section 103 based on Picco in combination with Fenwick.

The Applicants respectfully traverse this new rejection. The Applicants contend that this rejection is neither suggested nor motivated by Picco or Fenwick, but is based upon a selective combination of different features of the individual references using our own disclosure as a guide for the combination. The combination of references proposed in the Second Office Action is contrary to the individual teachings of each of the separate combined references, fails to consider the individual references in their entirety, and therefore can not be suggested by the prior art itself. This rejection, which is founded upon a selective combination of different features of the individual references using the Applicants' own disclosure as a guide for the combination, is contrary to well established law. Separate references may not be combined to reject a claim, even if all features of the claim are individually disclosed in different prior art references, unless there is a suggestion or motivation in the prior art itself to combine the references. *Micro-Chemical, Inc. v. Great Plains Chemical Co., Inc.*, 41 USPQ2d 1238 (Fed. Cir. 1997) and

In re Fritch, 23 USPQ2d 1780 (Fed. Cir. 1992). Moreover, the suggestion or motivation to combine references cannot be based upon use of an Applicant's own disclosure as a guide for combining the right references in the right way. *In re Fritch* 23 USPQ 2d 1780.

2. Patent Office Rejection

In the First Office Action, the Examiner rejected the Applicants' Claims under Section 102, based upon the assertion that Picco (US Patent No. 6 029 045) alone anticipates the Applicants' Claims. The Applicants responded by asserting that Picco does not teach or suggest the "selectivity" feature recited in their Pending Claims. The Applicants pointed out that, contrary to the Invention defined by the Pending Claims, the content and time of broadcast of the Picco programming is under the control of the broadcaster, and is not controlled by the viewer or subscriber. The Picco broadcasts constitute local advertising which is specifically matched to designated geographical regions, and which are inserted into the regular programming.

The Examiner agreed with these arguments, and withdrew the rejection of Applicants' Claims as being anticipated by Picco.

The Second Office Action presents a new rejection which combines Picco with United States Patent Application Publication No. US2003/0204852 by Fenwick et al. The Examiner contends that although "Picco does not disclose the step of selectively retrieving data by a recipient for on-demand use at a time after said extended period of time," Fenwick discloses "a video distribution system for providing an interactive display to allow a user to select and control the deliver (delivery of programed material...." The Second Office Action confirms that the Examiner now clearly concedes that Picco does not teach or suggest the "selectivity" feature recited in the Applicants' Claims. See Second Office Action dated 24 June 2004, page 3, first full paragraph.

The Examiner now cites Picco as disclosing the Applicants' method of transmitting data over a relatively long time period during non-peak hours. See, for example, Column 3, lines 19-24 of Picco, which discloses downloading of local content to the set-box by slowly trickling the local content data to the set-box and downloading the local content over the channels at some predetermined time when the set-box is probably not in use (*e.g.*, 3 a.m.) or downloading the local content over a separate channel. See also Column 9, Lines 1-3; and Column 9, Lines 48-60; or the Picco Specification which refers to downloading by trickling, and states:

"For the trickle technique, the amount of time required to download all of the pieces of local content depends upon how much extra band would exist in the satellite signal and may occur over several days or weeks. For the nightly download, it may require a complete night of download time in order to have sufficient local content for the next day" Picco, Column 9, Lines 48-60.

The Examiner has cited Fenwick as disclosing "a video distribution system for providing an interactive display to allow a user to select and control the delivery of program material." See Second Office Action dated 24 June 2004, page 3, second full paragraph. Assuming, *arguendo*, that the Examiner's interpretation of the Fenwick disclosure is correct, Applicants submit that there is clearly no suggestion in the prior art itself to combine Picco and Fenwick, as proposed in the Office Action, without relying upon Applicants' own disclosure as a guide for the combination.

Picco discloses a trickle technique for downloading, but does not teach or suggest selectivity of content or viewing time by the subscriber. Fenwick discloses the selectivity feature, but only in the context of an "on-demand" system by which the broadcasts are immediately available to the subscriber in real-time. Combining the selectivity feature of Fenwick with the system disclosed by Picco would defeat the intended purpose of the Picco system, since the subscribers to Picco would be able to bypass the local content programming (advertisements) inserted into the regular programming by the broadcaster. Stated in other words, the Picco system does not want its subscribers to determine if they will see the local content. On the contrary, the essence of the Picco Invention is a system that forces subscribers to view the local content advertising. The sole reason for the Picco Invention is to eliminate choice on the part of the viewer. The solitary purpose of Picco's Invention would be completely undermined by providing any degree of selectivity or control to the subscribers. The advertisers who pay to bring content to Picco's viewers would not purchase ads for very long if the viewers were not required to watch the local content material inserted by the broadcaster.

Similarly, modifying the "on-demand" broadcast system disclosed by Fenwick to include the "trickle technique" of downloading signal disclosed by Picco, would defeat the intended purpose of the Fenwick broadcast system, which is to provide its subscribers with immediate access to the selected programming. Stated in other words, requiring a subscriber to wait until a signal is downloaded either overnight or over the course of several weeks, as disclosed by Picco, is contrary to the primary objective of Fenwick, which is to provide its subscribers with immediate access to all desired viewing selected by subscribers.

Thus, although Picco discloses a "trickle technique for downloading signal," and Fenwick discloses selectivity of desired viewing by a subscriber, there is clearly no

suggestion or motivation in the prior art itself to combine these references in any manner to result in a system in which a signal is downloaded by a trickle technique and the viewing content is controlled by the subscriber. On the contrary, combining the Picco and Fenwick references as proposed by the Examiner in the Office Action would defeat the primary objective of each of the two individual references for the reasons discussed above. A modification to a prior art reference which defeats the intended purpose of the reference clearly cannot be suggested by the prior art itself. It is axiomatic that even if all features of a claim are disclosed in separate prior art references, this does not defeat the patentability of the claim in the absence of a suggestion or motivation in the prior art itself to combine the references in a manner rendering the claim obvious.

Since it is clear that there is no suggestion or motivation in the disclosure of either Picco or Fenwick to modify and/or combine these references as proposed in the Office Action, and since the proposed modification/combination would defeat the intended purpose of each reference, the only basis for combining these references as proposed by the Examiner in the Second Office Action must be derived from the use of the Applicants' disclosure as a guide for selectively modifying/combining different portions of each reference to reconstruct the Applicants' Claims. The rejections contained in the Second Office Action are improper and erroneous as a matter of law, as set forth by the excerpts of authorities which follow.

3. Decisions of Federal Courts Supporting Applicants' Traversing Arguments

The Applicants respectfully submit that the Examiner's rejections are completely unfounded upon the Federal Patent Laws. The Applicants' traversal of the Patent Office rejections are completely supported by a multitude of decisions of the Court of Appeals for the Federal Circuit.

a. In *Micro-Chemical, Inc. v. Great Plains Chemical Co., Inc.*, the Court ruled that:

"A determination of obviousness must involve more than indiscriminately combining prior art; a motivation or suggestion to combine must exist. *ACS Hosp. Sys., Inc. v. Montefiore Hosp.*, 732 F.2d 1572, 1577, 221 USPQ 929, 933 (Fed. Cir. 1984). As we recently stated:

Such a suggestion may come expressly from the references themselves. See, e.g., *In re Sernaker*, 702 F.2d 989, 994, 217 USPQ 1, 5 (Fed. Cir. 1983). It may come from knowledge of those skilled in the art that certain references, or disclosures in the references, are known to be of special interest or importance in the particular field. Cf. *Ashland Oil, Inc. v. Delta Resins & Refractories, Inc.*, 776 F.2d 281, 297 n.24, 227 USPQ 657, 667 n.24 (Fed. Cir. 1985) (stating that the knowledge of one skilled in the art may provide the "teaching, suggestion, or inference" to combine references), cert. denied, 475 U.S. 1017 (1986). It may also come from the nature of a problem to be solved, leading inventors to look to references relating to

possible solutions to that problem. See, e.g., *In re Rinehart*, 531 F.2d 1048, 1054, 189 USPQ 143, 149 (CCPA 1976) (considering the problem to be solved in a determination of obviousness). *Pro-Mold and Tool Co. v. Great Lakes Plastics, Inc.*, 75 F.3d 1568, 1573, 37 USPQ2d 1626, 1630 (Fed. Cir. 1996).” *Micro-Chemical, Inc. v. Great Plains Chemical Co., Inc.*, 41 USPQ2d 1238 (Fed. Cir. 1997).

b. In the case of *Orthopedic Equipment Co. v. United States*, the CAFC declared that:

“[11] Claims may be obvious in view of a combination of references, even if the features of one reference cannot be substituted physically into the structure of the other reference. *In re Anderson*, 391 F.2d 953, 958, 157 USPQ 277,281 (CCPA 1968). What matters in the Section 103 non-obviousness determination is whether a person of ordinary skill in the art, having all of the teachings of the references before him, is able to produce the structure defined by the claim. *In re Twomey*, 218 F.2d 593, 104 USPQ 273,275 (CCPA 1955). The fact that features of one reference cannot be substituted into the structure of a second reference may indicate that the claims were non-obviousness in view of the combined teachings of the two references. But this is not necessarily so, as *Anderson*, supra, makes clear. The same can be said regarding a complete mechanical misfit between two separate patented devices when the combination is alleged to demonstrate the obviousness of patent claims.”

“[12] In other words, the fact that the two disclosed apparatus would not be combined by businessmen for economic reasons is not the same as saying that it could not be done because skilled persons in the art felt that there was some technological incompatibility that prevented this combination. Only the latter fact is telling one the issue of non-obviousness.” *Orthopedic Equipment Co. v. United States*, 217 USPQ 193, 200 (Fed. Cir. 1983).

c. In the decision of *In re Fritch*, the Court of Appeals for the Federal Circuit ruled that:

“[4] Obviousness cannot be established by combining the teachings of the prior art to produce the claimed invention, absent some teaching or suggestion supporting the combination. Under Section 103, teachings of references can be combined only if there is some suggestion or incentive to do so.”

“Although couched in terms of combining teachings found in the prior art, the same inquiry must be carried out in the context of a purported obvious "modification" of the prior art. The mere fact that the prior art may be modified in the manner suggested by the Examiner does not make the modification obvious unless the prior art suggested the desirability of the modification." Wilson and Hendrix fail to suggest any motivation for, or desirability of, the changes espoused by the Examiner and endorsed by the

Board. Here, the Examiner relied upon hindsight to arrive at the determination of obviousness. It is impermissible to use the claimed invention as an instruction manual or "template" to piece together the teachings of the prior art so that the claimed invention is rendered obvious. This court has previously stated that "[o]ne cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention." *In re Fritch* 23 USPQ 2d 1780, 1783 (Fed. Cir. 1997).

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Section C- Summary of Status of All Claims in the Present Application

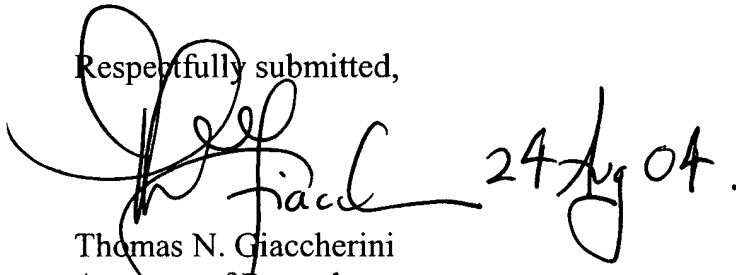
Claims 1-26 Unchanged in this Request for Reconsideration.

CONCLUSION

Section D- Request for Allowance

The Applicants respectfully request that the all of the Pending Claims 1-26 be allowed, and this Application be passed to issue.

Respectfully submitted,



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